

Testimony of Paul R. Pescatello, JD/PhD

President, Connecticut United for Research Excellence (CURE)

**Before the Appropriations Committee of the
Connecticut General Assembly
March 11, 2010**

Good afternoon.

My name is Paul Pescatello. I'm president of CURE—Connecticut United for Research Excellence. CURE's mission is to represent Connecticut bioscience—Connecticut's research institutions, its biotech companies and its clinical research institutions.

With your leadership—so many of you here in the Connecticut House and Senate—we've worked hard over the years to build a vibrant cluster of biotechnology research and biotech employers. Almost every state in the nation and many, many countries have strategies and policies and incentives in place to build and nurture biotech. Why? Biotech is of course about cures and treatments for chronic disease where none existed.

Biotech is also, though, about jobs and the economy. The economic multiplier of biotech investment in this state is the greatest of any industry sector. Biotech has the greatest ripple effect across the Connecticut economy. Connecticut biotech creates the most jobs and follow-on investment of any sector. In Connecticut, we live in an increasingly knowledge-based economy. As older-line industries fade, biotech can be in place with new employment opportunities. Bear in mind that other than large aircraft, biotech medicines are one of the few products we export far more of than we import.

Now, I just tried to explain the “why” of biotech. But what about the “how”? The Number One driver of biotech everywhere biotech clusters exist—whether in Connecticut, Cambridge Massachusetts or Cambridge England—is the strength of the basic bioscience research in the state. Nearly every biotech company—and therefore nearly every biotech employer—in Connecticut is related to research projects at Yale or UConn.

It is not an understatement to say that the bedrock of the future of Connecticut biotech is the state's stem cell research initiative. This 10-year \$100 million program has placed Connecticut in a leadership role, drawn top-tier, cutting edge research and researchers to our state and set the foundation for future new company—and new employer—formation. This policy, with bipartisan support and the support of the legislature and the executive branch has sent one of the most positive economic development messages the state has ever conceived.

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The effect of forgoing \$5 million in stem cell research funds will be disastrous. Researchers have built long-term research projects around this *10*-year program. They have *relied* on the state's written-into-law commitment. Economic development-wise there is nothing more counterproductive than to put a program into place with a defined amount of funding over a defined amount of time and then renege on that commitment. Such action is corrosive to confidence in Connecticut.

Apart from the research, the potential therapies and jobs that will be put on hold, cutting by half the next round stem cell research grants—grants that researchers have lavished huge amounts of valuable time drafting—will squander the substantial goodwill the state has built in the research community.

There is so much to say, but having only three minutes, let me close by underscoring that the stem cell research program is incredibly efficient. Administered by the Dept. of Public Health and Connecticut Innovations, nearly every cent of the fund goes directly to research.

Connecticut research. Let me repeat: almost 100% of the Stem Cell Research Fund funds research, not in Massachusetts or Indiana or Singapore or China, but all of these funds are used in Connecticut, fueling Connecticut research, Connecticut innovation and Connecticut job creation.

Please keep the stem cell research fund—and the sound, prudent policy that underlies it—in place. In so doing, you will be keeping Connecticut's future secure.

Thank you. I would be happy to take any questions you may have.